



**BOARD OF COUNTY COMMISSIONERS'
(BOCC) CONCURRENCE FORM**

This form must be completed for all staff reports being prepared for BOCC meetings/public hearings and is the cover sheet for the staff report. The original (single-sided) staff report needs to be submitted to the County Manager's Office one (1) week in advance of the scheduled presentation date. For Closed Sessions please submit the original (single-sided) and 8 (double-sided copies) of the staff report.

To: Office of the County Manager

From (Name & Division): Jennifer S. Short, Director **Phone #:** 301-600-3530

Requested Meeting Date (mm/dd/yr): 07/11/13 **Est. Presentation Time:** 10 minutes

Staff Report Topic:

(The text provided here will also be reflected on the meeting agenda and county's website.)

Development Impact Fee Exemption - Commons of Avalon

County Funds Requested/Required: \$None

Type of Meeting:

(Click to place a check mark in the following appropriate boxes.)

☒ **Administrative Business** *(The Consent Agenda Committee determines which items are eligible for the consent agenda.)*

☐ **Worksession** ☐ **Closed Session** ☐ **Public Hearing (a.m. ☐ or p.m. ☐)**

☐ **BOCC/BOE Mtg.** ☐ **County/Municipalities Mtg.**

☐ **Power Point Presentation**

Board Action Desired: ☒ **Decision** ☐ **Guidance** ☐ **Information**

Staff Report Review:

This staff report has been thoroughly reviewed first by the appropriate divisions/agencies noted on Page 2 followed by those outlined below :

	<u>Initials</u>	<u>Date</u>	<u>Comments Y/N</u> <u>(Page 2)</u>
<input checked="" type="checkbox"/> Budget Officer	<u>CRH</u>	<u>7/9/13</u>	<u>N</u>
<input checked="" type="checkbox"/> Finance Director	<u>EW</u>	<u>7/9/13</u>	<u>N</u>
<input checked="" type="checkbox"/> County Attorney's Office	<u>JPM</u>	<u>7/9/13</u>	<u>no</u>
<input checked="" type="checkbox"/> County Manager	<u>ld</u>	<u>7/9/13</u>	<u>N</u>

Other Reviewing Divisions/Agencies:

(Click to place a check mark in the following appropriate spaces.)

	<u>Initials</u>	<u>Date</u>	<u>Comments Y/N</u> <u>(noted below)</u>
<input type="checkbox"/> Animal Control			
<input type="checkbox"/> Business Development & Retention			
<input checked="" type="checkbox"/> Citizens Services	PR	7/9/13	N
<input type="checkbox"/> Community Development			
<input type="checkbox"/> Emergency Management			
<input type="checkbox"/> Fire & Rescue Services			
<input type="checkbox"/> Health Services			
<input type="checkbox"/> Human Resources			
<input type="checkbox"/> Interagency Information Technologies			
<input type="checkbox"/> Internal Audit			
<input type="checkbox"/> Parks & Recreation			
<input type="checkbox"/> Public Works			
<input type="checkbox"/> Transit Services			
<input type="checkbox"/> Utilities & Solid Waste Management			
Other: _____			
Other: _____			
Other: _____			

Elected Officials or Independent Agencies:

	<u>Initials</u>	<u>Date</u>	<u>Comments Y/N</u> <u>(noted below)</u>
<input type="checkbox"/> Board of Education			
<input type="checkbox"/> Board of Elections			
<input type="checkbox"/> Board of License Commissioners			
<input type="checkbox"/> Citizens Care & Rehabilitation Center/ Montevue Assisted Living			
<input type="checkbox"/> Frederick Community College			
<input type="checkbox"/> Frederick County Public Libraries			
<input type="checkbox"/> Sheriff's Office			
<input type="checkbox"/> Social Services			
<input type="checkbox"/> State's Attorney's Office			

Comments:

1. From: _____ Date: _____

2. From: _____ Date: _____

3. From: _____ Date: _____

4. From: _____ Date: _____

5. From: _____ Date: _____



**FREDERICK COUNTY GOVERNMENT
DIVISION OF CITIZENS SERVICES**

Pat Rosensteel, Director

Department of Housing & Community Development

Jennifer Short, Director

5340 Spectrum Drive, Suite A
Frederick, MD 21703

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Commissioners

Blaine R. Young
President

C. Paul Smith
Vice President

Billy Shreve
David P. Gray
Kirby Delauter

Lori L. Depics, CPA
County Manager

EXECUTIVE SUMMARY

STAFF REPORT TOPIC:

The Board of County Commissioners is being asked to review and confirm the authority contained in Ordinance No. 10-25-560, Development Impact Fee Exemption for Affordable Housing Program, to provide an exemption of school and library impact fees if a project meets the criteria contained within the Ordinance.

County Funds Requested/Required: \$0



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Lori L. Depies, CPA
County Manager

TO: Board of County Commissioners
FROM: Jennifer S. Short, Director, Housing and Community Development
THROUGH: Pat Rosensteel, Director, Citizen Services Division *P.R.*
DATE: July 3, 2013
SUBJECT: Development Impact Fee Exemption – Commons of Avalon

ISSUE:

Request the BOCC to provide clarification of authority under Ordinance No. 10-25-560 to provide an exemption of school and library impact fees for Commons of Avalon.

BACKGROUND:

J. Kirby Development, LLC Communities proposes to develop the Commons of Avalon, located on Schaffer Drive, sitting due east of Waverly Elementary and adjacent to Lake Coventry Park on its Eastern end. The 158 unit townhouse condominium project was initially approved in 1992 at which point construction and sales began. However, due to the failing housing economy and high interest rates of that period, sales slowed and the project ultimately halted. The overall site was cleared and graded, and only 44 of the 158 units were sold and occupied. The remainder of the community and infrastructure including the paving was never completed. As a result, 44 homeowners in the condominium regime are trying to support a condominium regime that was created for 158 homes. Exterior surfaces (such as roofs and siding) are considered common elements, and with no money for ongoing maintenance, the homes are in need of repair. Also with the condo regime in financial trouble the homes do not qualify for financing if they are sold. The exterior disrepair coupled with the lack of available financing has caused the home values to decrease to approximately 50% of what their values should be. Further, since the site is vacant, it is currently used for dumping trash and loitering. With the development of this community, the developer will be able to bring the existing condominium regime into compliance and will oversee the management of this entire community. The existing homes should return to the appropriate market values.

Financing

J Kirby Development is proposing to complete the construction of 103 units as affordable workforce rental housing using Maryland tax exempt bonds and 4% federal housing tax credits. Attached is a Statement of Experience of J Kirby Development listing several Maryland rental properties that have been developed using this type of financing. Tax Credit financing requires local financial support, and the developer is planning to apply for the County's Development Impact Fee Exemption Program, which would provide an exemption for school and library impact fees totaling \$1,348,167 (103 units X \$13,089).

Potential income/benefits to the County

The current assessment for the property is \$2.695 million, and the projected increase to the assessed value will be nearly \$20 million upon construction and lease-up. The development and construction of the project will cost approximately \$18,000,000 and provide approximately 360 jobs. Upon completion the proposed community will pay estimated real estate taxes of over \$4,000,000 over the next 20 years to Frederick County.

Unit Types

Design: 103 three level, three bedroom townhomes, 14', 18' and 20' wide with 1 car front loaded garage
Size: 1,228 sq. ft. plus garage
1,420 sq. ft. plus garage
1,600 sq. ft. plus garage

Work Force Housing

The community will serve households earning up to 60% of the Area Median Income (AMI). The projected target market will be teachers, firefighters, policemen, nurses, and other working Frederick County households. The following are current income limits for households at 60% AMI:

4 person household:	\$64,380
5 persons:	\$69,540
6 persons:	\$74,700

Projected Rent Amounts

Rents must be affordable to households earning no greater than 60% of the AMI. Projected rents will start at \$1,109 and go up to \$1,309 (plus \$90 garage rent). The average rent in the County for a townhome with a garage is \$1,761.

Potential Issues/Concerns

Does the County's Development Impact Fee Exemption Ordinance provide the authority for staff to exempt the school and library impact fees? According to the County Attorney, the Ordinance does provide that authority; so the question may be did the BOCC intend for the Ordinance to provide that authority or should each project be brought to public session? Staff recently approved an exemption for Habitat for a homeownership unit, but this is a larger project and is providing multi-family rental housing and not homeownership housing.

Are the rents affordable? According to a recent survey of rental prices conducted in May 2013 by the County Housing Department and covering rental prices from March through May 2013, the average rent for a 3BR, 2+ bath townhome with a garage was \$1,761, and without a garage: \$1,560; the average rent for all townhomes was \$1,617. The average 3BR rent for all rental types (apartments and townhouses) was \$1,378, with higher end apartments up to \$1,848. Sources of data were provided by the MarylandHousingSearch.org; Rentrange.com; craigslist.com; City Housing Authority; and County Housing.

Should the County provide an exemption for 3BR, 2 bath townhomes with garages? This type of unit is typically only available to buyers. Most 3BR rentals are provided in the form of traditional garden type apartments with open stairwells and open/surface parking lots. Offering these homes as rentals will provide families with the option of town home living in lieu of garden apartments. As recent surveys have indicated, affordable housing led the rankings as the greatest human need in Frederick County.

Tax credit properties are intended to provide what is considered affordable workforce housing and not intended to serve lower income citizens, who are typically assisted by public housing and Section 8. Despite the drop in home prices, with tightened credit markets, and the requirement for large down payments, a huge demand for workforce rental housing is dramatically rising. This will provide rental housing for future buyers who have limited savings and or are working on credit problems to live in a town home community until they are ready to purchase a home.

Memo to Board of County Commissioners
July 3, 2013
Page Three

STAFF RECOMMENDATION:

Staff recommends the BOCC clarify the authority under the Ordinance to provide the impact fee exemption if the project meets the criteria contained in the Ordinance.

Attachments: 1 - Ordinance 10-25-560- Development Impact Fee Exemption for Affordable
Housing Program
2 - Summary and Benefits
3 - J. Kirby Development, LLC Communities

Attachment 1

THE EFFECTIVE DATE OF THIS ORDINANCE IS JANUARY 1, 2011

ORDINANCE NO. 10-25-560

RE: Development Impact Fee Exemption For Affordable Housing Program

The Board of County Commissioners has established Development Impact Fees as provided in the Frederick County Code Chapter 1-22.

Provision of affordable housing through qualified nonprofit organizations is one important method to address the high cost of housing.

One of the costs of residential development in Frederick County is the Development Impact Fees.

In 2008, the Maryland General Assembly adopted and the Governor signed legislation authorizing limited waivers of development impact fees satisfying the requirements stated in the state law. (Chapters 386 and 387 Laws of Maryland, 2008).

This limited development impact fee legislation is codified in the Maryland Annotated Code, Article 24, Section 21-101.

The Board of County Commissioners desires to enact a limited exemption to the Development Impact Fees for qualified affordable housing programs.

The Board of County Commissioners held a duly advertised public hearing on November 16, 2010 at which public hearing the public had an opportunity to comment on this Ordinance as proposed.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF FREDERICK COUNTY, MARYLAND, that a new Section 1-22-7 F be added to the Frederick County Code as follows:

§ 1-22-7. EXEMPTIONS/WAIVERS.

(F) *EXEMPTION FOR AFFORDABLE HOUSING PROGRAM*

(1) RESIDENTIAL DEVELOPMENT IS EXEMPT FROM THE PAYMENT OF A DEVELOPMENT IMPACT FEE IF:

(a) THE RESIDENTIAL DEVELOPMENT IS FINANCED, IN WHOLE OR PART, BY PUBLIC FUNDING THAT REQUIRES MORTGAGE RESTRICTIONS OR RECORDED COVENANTS RESTRICTING THE RENTAL OR SALE OF THE HOUSING UNITS TO LOWER INCOME RESIDENTS IN ACCORDANCE WITH SPECIFIC GOVERNMENT PROGRAM REQUIREMENTS OR

(b) THE RESIDENTIAL DEVELOPMENT IS DEVELOPED BY A NONPROFIT ORGANIZATION THAT:

i. HAS BEEN EXEMPT FROM FEDERAL TAXATION UNDER § 501(c)(3) OF THE INTERNAL REVENUE CODE FOR A PERIOD OF AT LEAST 3 YEARS; AND

ii. REQUIRES THE HOMEBUYER TO PARTICIPATE IN THE CONSTRUCTION OF THE RESIDENTIAL DEVELOPMENT; AND

(2) THE INITIAL PURCHASER OF THE RESIDENTIAL DEVELOPMENT MAY NOT HAVE AN INCOME GREATER THAN SIXTY PERCENT (60%) OF THE FREDERICK COUNTY AREA MEDIAN INCOME.

CAPITALS AND/OR UNDERLINING INDICATE ENTIRELY NEW MATTER ADDED TO THE CODE.

(3) RENTAL HOUSING MUST BE FINANCED BY PUBLIC FUNDING WITH MORTGAGE RESTRICTIONS THAT INCLUDE:

(a) A REQUIREMENT THAT THE RESIDENTIAL UNITS MUST BE PART OF AN AFFORDABLE HOUSING PROGRAM FOR AT LEAST 25 YEARS; AND

(b) EACH RESIDENTIAL UNIT SHALL BE OCCUPIED BY A HOUSEHOLD WITH INITIAL INCOME NO GREATER THEN SIXTY PERCENT (60%) OF THE FREDERICK COUNTY AREA MEDIAN INCOME.

(4) IF THE RESIDENTIAL DEVELOPMENT FAILS TO CONTINUE TO SATISFY THE REQUIREMENTS FOR THIS DEVELOPMENT IMPACT FEE EXEMPTION, THE OWNER OF THE PROPERTY SHALL PAY THE DEVELOPMENT IMPACT FEE IMMEDIATELY.

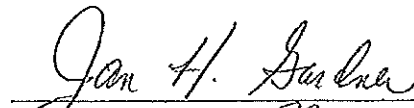
AND BE IT FURTHER ENACTED AND ORDAINED that this Ordinance shall take effect on January 1, 2011.

The undersigned hereby certifies that this Ordinance was approved and adopted on the 16th day of November, 2010.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
OF FREDERICK COUNTY, MARYLAND


Barry L. Stanton
County Manager


Jan H. Gardner
President

CAPITALS AND/OR UNDERLINING INDICATE ENTIRELY NEW MATTER ADDED TO THE CODE.

Commons of Avalon

Workforce Rental Town Home Community

Summary and Benefits

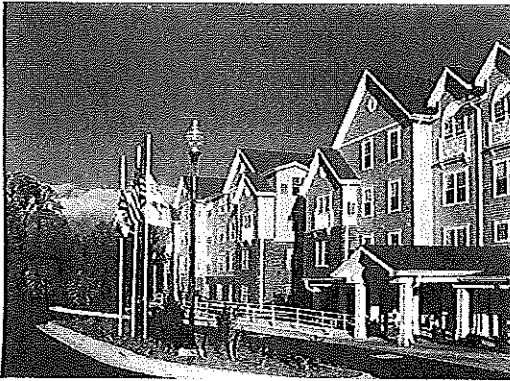
1. **Income to County** - This project upon completion is estimated to pay over \$4,000,000 in property taxes to Frederick County over the next 20 years.
2. **MPDU Housing** - Over the past 10 years there has been only 8 MPDU homes provided for sale in Frederick County and there are currently no MPDU homes projected within the development pipeline. This project **will immediately provide 103 moderately priced homes** that are for the working families of Frederick and will be rented to families in the about the same income range (up to 60% AMI) as the *for sale* MPDU homes are supposed to be built for.
3. **Affordable Work Force Housing** - The projected rents for our community will be below the typical and average rents the Frederick town home market. **The average rent for a Frederick town home with a garage is \$1,761** (study by Frederick Dept. of Housing). **Our projected rents will start at \$1,199** and our average for a 3 bedroom home with garage will be approximately \$1,299.
4. **Development of a vacant Parcel** - This site was graded for development in the early 1990's and this large site has remained vacant and undeveloped for over 20 years. **The site is currently used for dumping trash and loitering.**
5. **Fix broken condominium** - The condominium regime has been and is currently in substantial financial trouble. The exterior surfaces of the homes are considered common elements of the HOA, due to the condominium docs, and there is no money in the budget to make repairs, causing deferred maintenance to accrue. A potential buyer of a townhome in this community is not able to obtain financing for the purchase and can only pay cash for the homes. **This has decreased the value of the homes down to near 50% of what the value should be.**
6. **New Economic Development** - The development and construction of this project will cost approximately \$18,000,000 and bring a large investment into a portion of the City where activity is much needed, helping to revive the Route 40 and Golden Mile area. Based on Bureau of Labor statistics estimates, the project will bring **approximately 360 jobs to the area**, which will also produce an increase in peripheral spending for the area's retailers.
7. **Different Housing Option** - This community will offer 3 bedroom and 1 car garage living in a type of home typically only available to buyers. **Buyers who have limited savings and/or credit problems are able to live in this town home community with their families until they are ready for the purchase of a home.** They are no longer forced to live in a garden apartment community with their family.

Project:	Commons of Avalon, with 103 townhome apartments
Target Resident:	Frederick County workforce
Design:	Three level townhomes, 14', 18' & 20' wide
Size:	1,228 sq. ft. plus garage 1,420 sq. ft. plus garage 1,600 sq. ft. plus garage
Garage:	3 level townhome with 1 car front loaded garage
Total Project cost:	\$18,000,000
Requesting:	City & County support in the form of a waiver of County Impact Fees in accordance with Ordinance # 10-25-560

Prepared/J. Kirby Development, LLC Communities

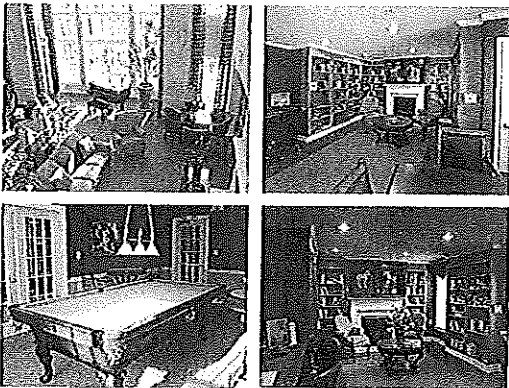
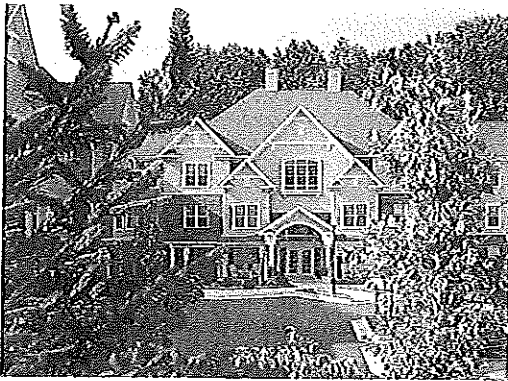
Jeffrey Carroll Kirby Statement of Experience

J. Kirby Development, LLC Communities



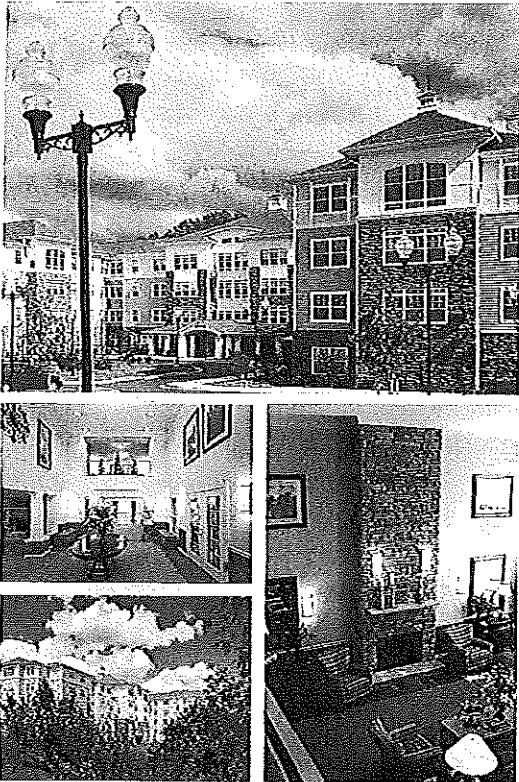
Willow Manor at Fair Hill Farm: This 100 unit apartment community consists of mostly two bedroom apartments, and is rented to independent residents over 62 years of age. It is located on Georgia Avenue in the Olney area of Montgomery County, Maryland. The community contains 100 units of affordable housing. This exciting project had gained the support of the Greater Olney Civic Association (GOCA), the Townes at The Environs HOA and all governmental support required. This project is financed by utilizing 4% Federal Housing Tax Credits, HOC issued tax-exempt bonds that were purchased directly by CharterMac, a soft/subordinate loan from Montgomery County Housing Initiative Fund, and also a PILOT for the abatement of real estate taxes from Montgomery County. The application for the re-zoning has been approved and

construction commenced in February of 2004. The first residents moved into the building in May of 2005. The independent living building is four stories in height with a walkout terrace level in the rear. The building contains amenities that include a two-story atrium entrance, billiards room, arts and crafts room, health center, theater, library, exercise room, computer Internet center, large front porch, and patio. This project is a joint venture with Osprey Property Group.



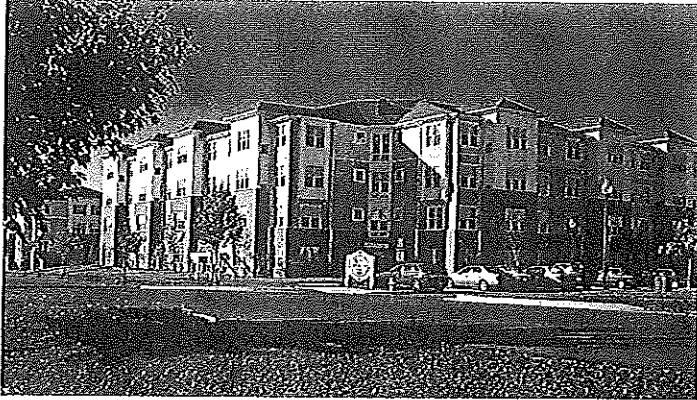
Willow Manor at Colesville: This 83 unit apartment community consists of mostly two bedroom apartments, and is rented to independent residents over 62 years of age. It is located on Randolph Road just east of New Hampshire Avenue in the Colesville/Silver Spring area of Montgomery County, Maryland. The community contains 83 units of affordable housing. This exciting project had the support of the Greater Colesville Civic Association. This project was financed by utilizing 4% Federal Housing Tax Credits, HOC issued tax-exempt bonds that were purchased directly by CharterMac, a soft/subordinate loan from Montgomery County Housing Initiative Fund, and also a PILOT for the abatement of real estate taxes from Montgomery County. Residents began moving into the building in November of 2004. The independent

living building is three stories in height with a walkout terrace level in the rear. The building contains amenities that include a two-story atrium entrance, billiards room, arts and crafts room, health center, theater, library, exercise room, computer Internet center, large front porch, and patio. This project is a joint venture with Osprey Property Group.



Willow Manor at Cloppers Mill: This 102 unit apartment community consists of mostly two bedroom apartments, and is rented to independent residents over 62 years of age. It is located on Mateny Road in the Cloppers Mill subdivision on the edge of Germantown in Montgomery County, Maryland. The community contains 81 units of affordable housing. This project needed only minor approvals and construction commenced in the summer of 2004. The residents began moving into the building in October of 2005. The project is financed by utilizing 4% Federal Housing Tax Credits, HOC issued tax-exempt bonds that were purchased directly by CharterMac, a soft/subordinate loan from Montgomery County Housing Initiative Fund, and also a PILOT for the abatement of real estate taxes from Montgomery County. The independent

living building is four stories in the front with a lower rear terrace level. The building contains amenities that include a two-story atrium entrance, billiards room, arts and crafts room, health center, theater, library, exercise room, computer Internet center, large front porch, and patio.



King's Overlook: This community consists of 102 "for sale" condominium units. The entire community was sold to active adults that are 55 or better in age and that qualified for these MPDU homes. All of the 102 homes are for qualified MPDU buyers. The condominium units are all two bedrooms and two bath homes that are located in two separate

four level buildings. The buildings are next to the pool and clubhouse in the King's Crossing Community, within Germantown, Montgomery County, MD. The site Plan was approved in January of 2006 and construction commenced in May of 2006. Residents began moving into the units in spring of 2007.



Patapsco Overlook:

This high quality community will be an 80 home condominium community for adults that are 55 and better. All 80 of these condominium homes will have 1,500 square feet of living space with 2 bedrooms, 2 full bathrooms and an optional den. The site will have 5 buildings with 16 units per building. Each building will also have 16 parking spaces located in a garage

under the living units. All of the condominium homes will have spectacular views of the Patapsco Valley State Park that is adjacent to a large portion of the wooded site.

This community will have a centrally located clubhouse with an exercise room, party social room with a kitchen. The clubhouse will also have outdoor patios and gathering areas for community parties and events. Located just out side of the rear of each building will be a patio and grill area for smaller gatherings and cookouts. Construction began in the fall of 2009 and residents start to occupy the homes in 2011.



The Willows at Victoria

Falls: This high quality age restricted community will be a 75 home condominium community for adults that are 55 and better that will be located within the large 700 unit Active Adult community known as Central Parke at Victoria Falls in Laurel, MD. All 75 of these rental homes are condominium homes and will have from 1,465 to 1,780 square feet of living space with 2 bedrooms, 2 full bathrooms and an den (in some floor plans). Each building will contain 25 homes and 18 internal parking spaces located in inside the first level of the building. There is also 30 detached garages on site. The overall community will have a large centrally located clubhouse with an exercise room, party social room, grand ball room, billiards room, locker rooms, indoor pool, card room. The clubhouse will also have an outdoor pool and gathering areas for community parties and events. The community also has tennis courts and walking trails throughout the community. Construction began in the fall of 2012 and will be completed in August/September of 2013..

Layhill Overlook: This community consists of 20 single family detached homes, 6 MPDU town homes, and 12 semi-detached single family homes. The community is located on the corner of Homecrest and Bel Pre Roads in the Aspen Hill area of Montgomery County, Maryland. This project required a re-zoning to PD-2 and construction should begin in 2010. The re-zoning was a joint effort with the adjacent Vedanta Center Church.

Communities developed at previous development companies

Randolph Village: 130 unit elderly rental housing community located on Randolph Road in Silver Spring, Montgomery County Maryland. This project was completed in September 1998. The project is three stories in height and contains amenities that include three story atrium entrance, billiards room, arts and crafts room, health center, theater, library, exercise room, computer Internet center, convenience store, screened in porch, outdoor gazebo and grill area with patio and outdoor walking trails and planter boxes. This elderly project was 100% occupied within 90 days of opening. This project was financed utilizing 9% federal housing tax credits and other forms of below market financing. This project contains 130 units of affordable housing.

Croydon Manor: 97 unit multi-family garden apartment community located on Sligo Creek Parkway in Silver Spring, Montgomery County, Maryland. These existing four level all brick buildings were purchased in September of 1996 and the renovation was completed in September of 1997. All 97 of the units are affordable housing. All units received new kitchens and baths with new carpeting and new utilities including air conditioning and heating systems. This rehabilitation was conducted while the majority of the residents remained in the apartment complex. The project is 100% occupied and retained 60% of its existing population. Croydon manor was financed utilizing 4% tax credits, tax-exempt bonds, and other below market financing.

Henson Creek Manor Phase II: 105 unit multi-family garden apartment project located in Oxon Hill, Prince George's County, MD. This three-story, multi-building project was completed in December of 1998 and was 100% leased upon the completion of the last building. This second phase added 105 apartments of affordable housing, a pool and additional clubhouse to the first phase. This project was financed utilizing 9% federal housing tax credits and other forms of below market financing.

Pin Oak Village Phase II: This was a 110 unit addition to the existing phase I of Pin Oak Village (110 units). This four-story addition was completed in February of 1999 and is 100% occupied. Over 588 applications for occupancy were taken and lease up took under 75 days. The project adds 110 additional units of additional affordable housing and common area to the existing Pin Oak Village for a total of 220 apartments. This project was financed utilizing 9% federal housing tax credits and other forms of below market financing.

Woodside Village II: This project is a 90 unit addition to the existing 110 unit Woodside I. An elderly project, Woodside I includes a myriad of amenities to include an arts and crafts room, theater, library, two story entertainment room, health center and outdoor garden plots and walking

paths. Woodside II was completed in the spring of 2000. Marketing of the second phase was very successful and the additional apartments were occupied within five months. This project was financed utilizing 9% federal housing tax credits and other forms of below market financing. All 110 units of this phase were affordable housing.

Cameron Grove: This is a 870 unit, \$100 million, Adult Lifestyle Community located on 162 acres in Prince George's County, Maryland. This is to be Prince George's County's premiere retirement community for those 55 and over. A 23,000 square foot clubhouse with indoor and outdoor pools and tennis courts will be provided at this age-restricted community as well as onsite management and maintenance. The entire project is a "for-sale" product, which is priced between \$125,000 and \$270,000 depending on the product type. The community began development in May 1999. Settlements began in April 2000. The community contains a number of home types designed for the active adult, including elevator condominiums, duplexes, single story townhomes, and single family detached.

University Landing: This 117-unit multi-family garden apartment community is located on University Boulevard in Langely Park, Maryland. These existing four story all brick structures were purchased in September of 1999 and the rehabilitation was completed in October of 2000. All units received new kitchens and baths with new carpeting and new utilities, including air conditioning and heating systems. The project was almost fully occupied prior to the commencement of the rehabilitation and the residents were relocated during construction. The project is currently 100% occupied. All of the 117 units are affordable housing. This acquisition and rehabilitation was financed utilizing 4% tax credits, tax-exempt bonds, and other below market financing

Hampshire Village: This 111 unit elderly affordable project was completed in December of 2003. This community is located on Norbeck Road in Silver Spring, Montgomery County, Maryland. Over \$10,000,000 in federal housing tax credits have been awarded to this project. The other layers of financing include soft/subordinate debt from the Montgomery County Housing Initiative Fund, a PILOT for the forgiveness of County real estate taxes and a conventional loan. This project is a joint venture with Victory Housing (the non-profit housing arm of the Archdiocese of Washington). This elderly campus will contain our independent living elderly building and a 30-bed assisted living building, developed by Victory Housing. The independent living building is three stories in height and contains amenities that include a two story atrium entrance, billiards room, arts and crafts room, health center, theater, library, exercise room, computer Internet center, convenience store, outdoor gazebo, patio and outdoor walking trails.

Oak Grove Manor: This 120 affordable apartment building for the independent elderly will be located in the Essex area of Baltimore County. This site is located within a HUD targeted Qualified Census Tract. The proposed four-story building will be situated on a 13-acre site just off of the Middle River. This project is located within the much publicized waterfront revitalization area of Baltimore County. Each apartment will have a small computer appliance that will be constantly connected to the Internet. Other common amenities include the library, computer internet center, Woolworth's inspired café/social area, health center, Movie Theater, exercise room, billiards/card room, multi-purpose room, patio area, fish pond and walking paths. The project was financed utilizing 9% tax credits and other various other forms of affordable debt.